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FISCAL IMPACT STATEMENT

LS 6288

BILL NUMBER: SB 114

NOTE PREPARED: Dec 1, 2005

BILL AMENDED:

SUBJECT: Probate and Trust Matters.

FIRST AUTHOR: Sen. Zakas

BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: No Fiscal Impact

Summary of Legislation: *Surviving Spouse Allowance:* The bill provides that a surviving subsequent childless spouse who takes against the will of the decedent is entitled to take one-third of the net personal estate and an additional amount equal to 25% of the fair market value of the decedent's real property minus liens and encumbrances. (Current law bases the additional amount on the value of the decedent's lands.) It also makes conforming changes to the intestate succession law.

Unsupervised Estates: The bill specifies additional powers that a personal representative may exercise without order of the court in the administration of an unsupervised estate.

Uniform Principal and Income Act: The bill provides that income earned by a trust becomes a part of the principal and is not distributed to the beneficiaries of specific property. It removes references to estates to conform Indiana's version of the Uniform Principal and Income Act with current probate law.

Trustee Powers: The bill specifies that a trustee may exercise a power that conflicts with an individual interest of the trustee if the beneficiaries do not object to the exercise of the power or if the exercise of the power is specifically authorized by the terms of the trust. (Current law permits the exercise of the power only with court authorization.)

(The introduced version of this bill was prepared by the Probate Code Study Commission.)

Effective Date: July 1, 2005 (retroactive); July 1, 2006.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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